


CITY OF GREENBELT
Department of Public Works
555 Crescent Road • Greenbelt, Maryland 20770
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M E M O R A N D U M

Date: September, 23 2015

To: Michael McLaughlin, City Manager

From: James Sterling, Acting Director of Public Works 

Regarding: National Joint Powers Alliance (NJPA)
Contract Purchasing Agency

Last year, during the budget process, we discovered that many of the vendors that we were negotiating with were the winners of a national bidding process through NJPA. We were able to incorporate that reduced pricing into our budgeting of equipment for this fiscal year. NJPA is similar to U.S. Communities in that it allows for national contract volume pricing and value from nationally acclaimed vendors.

We are currently taking advantage of these savings with Staples, which was awarded the janitorial supplies contract through NJPA. In order to receive these savings, you must be a member of NJPA, which we now are members. We are currently ordering "green" cleaning supplies through Staples at the pricing that was bid through NJPA. NJPA establishes and provides nationally leveraged and competitively solicited purchasing contracts under the guidance of the Uniform Municipal Contract Law.

NJPA was established as a public agency to serve member organizations across the country. NJPA operates under the authority of Minnesota law. The statute was created in 1978 and was revised in 1995 to allow participating government and education agencies to reduce the cost of purchased equipment and products by leveraging their combined national purchasing power through cooperative efforts. NJPA is also guided and enabled by the "Joint Exercise of Powers" laws, which allows for "piggybacking" on a national level. The law allows for cooperative agreement and states that, "What two units of government can individually do for themselves, one can do for another."

Other Municipalities in the region are now using NJPA as another option to secure nationally leveraged and competitively solicited purchases. The City of College Park recently used NJPA pricing to purchase two new trash trucks. We will be requesting some of our equipment purchasing in the future be through NJPA. NJPA has established a mechanism for Municipalities to purchase from businesses, equipment that has already been vetted.

I have attached with this memo the NJPA procurement process and some frequently asked question about NJPA.

OUR 12-STEP PROCUREMENT PROCESS

It is the desire of NJPA to meet our members' procurement requirements, but it is ultimately our members' responsibility to interpret local purchasing laws to determine their own ability to access and participate with NJPA contracts. Our request for proposal (RFP) process is continuously being refined to meet the changing needs of our members. The desired result is a national, competitively solicited procurement and contract process that is not only valued by members but meets or exceeds local requirements—offering exceptional products and services from nationally acclaimed vendors.

1) IDENTIFY MEMBERS' NEEDS

NJPA pursues member participation and conducts research through our member advisory committees, which are represented by various verticals, at numerous national trade shows, and through daily member interaction.

2) RESEARCH SOLUTIONS AVAILABLE IN THE MARKETPLACE

Constant research helps us develop the best approach for each offering. Some industries lend themselves to a manufacturer's response because that manufacturer provides a complete industry solution through their authorized dealers. Other industries lend themselves to a distributor response because they are able to provide the most complete industry solutions through the large number of manufacturers they represent.

3) REQUEST PERMISSION FROM THE NJPA BOARD OF DIRECTORS

After establishing the existence of both a viable need and a viable NJPA style solution, permission from the publicly elected NJPA Board of Directors is sought and must be granted to officially begin the development of the solicitation and overall procurement process.

4) DRAFT A SOLICITATION, PUBLIC ADVERTISEMENT AND NOTICE

Our solicitation document is our cornerstone of cooperative contract purchasing. The consistency of that solicitation document, its response forms and evaluation criteria are some of our greatest assets. NJPA advertises each RFP:

- In print: *Salt Lake News* (Utah), *USA Today* (National)
- In print and online: *Daily Journal of Commerce* within the State of Oregon
- In print and online: *The State* within the State of South Carolina
- On the NJPA website
- On e-commerce sites: BidSync, Biddingo, MERX, Onvia, PublicPurchase
- We notify the state level procurement departments in each state for possible re-posting of the solicitation within their systems and at their option

5) CONDUCT A PRE-PROPOSAL CONFERENCE FOLLOWED BY RECEIPT OF RESPONSES

Proposers are typically given 5-6 weeks from the start of the RFP advertisement to respond to the RFP. A Pre-Proposal Conference is conducted to answer questions. An addendum may also be issued if there are any items covered beyond RFP content clarifications in the conference, and if such items are deemed material by NJPA. NJPA uses an atomic clock to electronically time and date stamp all Proposals immediately upon receipt in NJPA's Staples, MN office. Proposals are opened by a Contracts & Compliance department employee at the time, date and place specified in the RFP.

6) EVALUATE PROPOSERS' RESPONSES

Evaluation begins at the proposal opening by determining the "responsiveness" of each proposal. "Level One Responsiveness" includes: • Timely submission • Properly organized • Electronic as well as physical copies as required • Original signatures on appropriate documents • "Level Two Responsiveness" is the evaluation of the proposal response according to the evaluation criteria provided in the RFP and documented on the "Proposal Evaluation" (Form G) by the Proposal Evaluation Committee. Our typical RFP invites the widest possible variety of products and services within the scope of a proposal. Our intention is to create a contract that provides the widest possible array of utility to the widest possible array of NJPA members. We also specifically invite proposers to define their products and services not only by industry standard terms, but also in terms of the latest technological advances and its applicability and utility to our members.

PROCUREMENT PROCESS

Evaluating proposers' responses, continued:

The perceived procurement value of a proposal to NJPA and its Members, in the opinion of NJPA, includes but is not limited to:

- Conformance to RFP's intent, scope and specifications
- Competitive pricing strategies
- Ability to sell and service NJPA Members nationally
- Financial strength, experience and success in the industry/marketplace
- References from past customers and prior experience with NJPA
- A clear, concise, aggressive and effective marketing plan
- Value added related products, services and technological advances
- Financing options and detailed payment terms
- Warranty, product and service responsibility
- Identifying the depth, breadth and quality of products and service offerings

Additional consideration is given to proposer's who demonstrate "Green" and Disadvantaged Business Enterprise and the ability to sell and service Canada and other international provinces.

The final evaluation is conducted using the "Proposal Evaluation" form defined in the RFP. This form establishes a weighted scoring method and also provides for an optional "Cost Comparison." This point-based system is used as a part of the final scoring and awarded vendor determination.

7) REVIEW EVALUATION RESULTS

Recommendations of the Proposal Evaluation Committee are reviewed by NJPA's Contract Council. Final recommendations are then approved for consideration by the NJPA Board of Directors.

8) PROVIDE RECOMMENDATIONS TO THE NJPA BOARD

Recommendations of the Contract Council are presented to the NJPA Board of Directors for final review and possible award. The NJPA Board has the final authority to issue or deny a procurement contract.

9) AWARD VENDOR(S)

Upon approval by the NJPA Board, the recommended vendor is awarded a four-year contract term with one additional one-year renewal at the discretion of NJPA. The Contracts & Compliance Department emails Notices of Award and Non-Award to vendors.

10) POST APPROVED CONTRACT DOCUMENTS

A complete procurement file is maintained by NJPA, and contract documentation is posted on our website for review by our members.

11) DEVELOP AND IMPLEMENT A JOINT MARKETING PLAN WITH AWARDED VENDOR(S)

NJPA works with both the vendor and member to educate on the benefits and uses of an awarded contract. We work with the awarded vendor(s) to educate and energize their sales and service teams. NJPA advertises awarded contracts in select national publications; produces a full-color, hard copy "Contract Directory"; maintains a website offering of the contract solutions; exhibits with vendor partners in numerous national and regional trade shows; and provides break-out meetings at trade shows.

12) REVIEW AND MAINTAIN OUR CONTRACT THROUGHOUT ITS TERM

Contracts are periodically reviewed for their effectiveness. NJPA contracts are written with four-year terms with a fifth year option at NJPA's discretion. NJPA does not eliminate member responsibility for following the solicitation process; rather, we provide a nationally pre-competed option to avoid duplicating the formal solicitation process.

FREQUENTLY ASKED QUESTIONS

Q. WHO IS NJPA?

- A. NJPA is a public corporation or agency serving as a municipal contracting agency for government and education agencies. NJPA serves member agencies under the legislative authority established and granted by Minnesota Statute 123A.21 (see specific statutory references on pages 4-5). All NJPA employees are public employees whom are required to pay into Public Employment Retirement Association (PERA) through payroll deduction. NJPA employees have the same employment status as employees of NJPA government and education member agencies.

Q. WHAT IS NJPA'S PRIMARY PURPOSE?

- A. Among other areas of serving members, NJPA creates national cooperative contract purchasing solutions on behalf of its member agencies which include all government, education and non-profit agencies nationwide and in Canada. These cooperative contract opportunities offer both time and money savings for their users by consolidating the efforts of numerous individually prepared solicitations to one national, cooperatively shared process. This process leverages the aggregation of volume from members nationwide.

Q. WHO IS ELIGIBLE FOR NJPA MEMBERSHIP?

- A. Eligible members include any unit of government, education (K-12 and higher ed) or non-profit agencies nationwide.

Q. HOW IS NJPA GOVERNED?

- A. NJPA is governed by the NJPA Board of Directors. The eight-member board is comprised of publicly elected governing officials; including school board, city council members and county commissioners from Region Five in Minnesota.

Q. HOW MUCH DOES IT COST TO PARTICIPATE IN NJPA?

- A. There is no-cost, no-obligation or liability to join or participate in the NJPA contract purchasing program. There are no minimum contract purchasing requirements or commitments for members use of NJPA contracts.

Q. HOW IS NJPA FUNDED?

- A. Vendors realize substantial efficiencies through their ability to respond to one NJPA solicitation and Request for Proposal (RFP) that will potentially earn thousands of sales opportunities. From these efficiencies, vendors pay an administrative fee to NJPA calculated as a percentage of sales processed through the competitively solicited procurement contracts awarded and held by the vendor. This administrative fee is not an added cost to the member. This administrative fee covers the costs of contract marketing and facilitation and it offsets operating expenses incurred by NJPA. This fee may also be used for other purposes as allowed by Minnesota statute. NJPA does not receive state or federal aid or membership fees. With respect to cooperative contract purchasing, NJPA is a self-funded governmental unit. NJPA also shares these fees with certain other NJPA members, partner cooperatives or associations as they demonstrate the desire and ability to help facilitate and market available NJPA contracts. Administrative fees paid to NJPA are not an additional cost to NJPA members.

Q. HOW CAN WE JOIN AND PARTICIPATE IN NJPA AND ITS CONTRACTS AND SERVICES?

- A. A membership can be initiated by: • Online membership application: NJPAcoop.org/join/application • Paper-based membership application • "Joint Exercise of Powers" or "Interlocal" agreement. Participating members are non-voting members of NJPA that are able to enter into Joint Powers Agreements. Non-profit organizations, non-public schools and other similar entities may join NJPA through an associate membership. Full voting memberships are limited to units of government or education located within the five county region of Minnesota which NJPA was originally created to serve.

Q. DOES NJPA HAVE A PROFESSIONAL PUBLIC PURCHASING BOARD OF ADVISORS?

- A. Yes. At this point, all current members are a part of our Board of Advisors. NJPA also has multiple member advisory committees that specialize in various membership verticals. These verticals include our general membership represented by procurement professionals from our government and education agencies and others, such as fleet departments, food service departments, park and recreation departments and public utility departments.

FREQUENTLY ASKED QUESTIONS

Q. CAN AGENCIES OTHER THAN GOVERNMENT AND EDUCATION USE THE PROGRAM?

A. Yes, under M.S. 123A.21, non-profit agencies may also participate.

Q. WHAT SPECIFIC STATUTE GIVES MY AGENCY THE AUTHORITY TO PARTICIPATE?

A. Generally, joint powers and/or cooperative purchasing laws create the authority for members to work together with NJPA and accept NJPA procurement laws. These laws are a part of state law in every state, however, they are written slightly differently. Essentially, what these laws state is: "What two units of government can individually do for themselves, one can do for the other." NJPA membership forms are designed to help establish an appropriate agreement to comply with the Joint Powers Laws of our qualifying agencies.

Q. WHAT ARE THE ADVANTAGES OF BEING A MEMBER OF NJPA?

A. • The competitive solicitation and contract process is completed and satisfied on behalf of your agency. • National aggregation of product and equipment demand and volume resulting in aggressive and competitive pricing. • Choice of equipment, products and services is offered under awarded contracts featuring the highest quality solutions from industry-leading and nationally acclaimed vendors. • Members enjoy a broad range of exceptional product and equipment selections complimented by substantial time savings and multiple other related benefits for participating agencies. • NJPA contract solutions offer choice with the ability to continue to perform your own competitive solicitation process if you choose to do so.

NJPA strives to exceed our members' needs and expectations. Our contracting process mirrors our members' process. In creating a contract pathway through a unified and commonly embraced contracting process, NJPA contracts are accepted by the highest level of government and education agencies across the country. NJPA increases our members' comfort by conducting complete financial audits of our organization annually through an independent auditor with the results submitted to the State of Minnesota as required by state law.

Q. AS NJPA MEMBERS, ARE WE STILL ABLE TO BUY FROM OTHER CONTRACTS?

A. Yes, all NJPA membership and contracts are non-exclusive with no obligation to purchase and are contracts of choice by our member agencies.

Q. CAN MY PUBLIC AGENCY USE NJPA CONTRACTS WITHOUT ISSUING OUR OWN SOLICITATION?

A. Yes, in most states and local jurisdictions, though it is the responsibility of individual members to make the determination. All NJPA contracts have been competitively solicited nationally, reviewed, evaluated by committee and recommended to the NJPA Board of Directors for award in accordance with Minnesota public purchasing and contracting rules, guidelines and regulations applicable to NJPA. Each solicitation is issued on behalf of NJPA and current and potential NJPA members nationwide. Each RFP advises all responders that NJPA most desires and invites a vendor whom can sell and service participating member agencies in all fifty states and, optionally, provinces and territories of Canada. All RFP responders understand that these contracts will be under consideration for use by government, education and non-profit member agencies throughout the United States.

Q. HOW CAN I OBTAIN COPIES OF THE LEGAL DOCUMENTATION ASSOCIATED WITH EACH CONTRACT?

A. Related contract and competitive solicited process documentation is available on the NJPA website under each individual vendors' page or by request. Once on a vendor page, there is a tab titled "Contract Documentation" where these documents can be reviewed. Please follow the instructions under each vendor's "Pricing" tab to access pricing for specific contracts. Due to pricing complexity, most pricing is not located on the website and is available upon request in compliance with MN Data Practices. Procurement files are also available upon request.

Q. WHAT IS THE SOLICITATION AND REQUEST FOR PROPOSAL (RFP) PROCESS?

A. NJPA conducts a comprehensive 12-step process (described in full on pages 9-10) that includes: 1) Identify members' needs, 2) Research solutions available in the marketplace, 3) Request permission from the NJPA Board of Directors, 4) Draft a solicitation, public advertisement and notice, 5) Conduct a pre-proposal conference followed by receipt of responses, 6) Evaluate proposers' responses, 7) Review evaluation results, 8) Provide recommendations to the NJPA Board, 9) Award vendor(s), 10) Post approved contract documents, 11) Develop and implement a joint marketing plan with awarded vendor(s), and 12) Review and maintain our contract throughout its term.

FREQUENTLY ASKED QUESTIONS

Q. HOW DOES THE PURCHASE PROCESS FLOW?

- A. NJPA contracts establish a business to government style transaction flow. Members are encouraged to begin communications with their local dealer/representative of our contract holder, as they are the experts in helping members determine their specific needs and thereby defining the best solution for equipment, products and services needed. Members communicate with the vendors through contract proposals that include pricing. Members may contact NJPA to verify the awarded contract pricing and confirm contract terms and conditions. To execute a purchase, a member should issue a purchase order according to their normal organizational parameters. In addition, the member should include identifying language on the face of that purchase order such as: "This purchase order is issued pursuant to NJPA Contract #XXXXXX-AAA" which will notify the local dealer/representative of the desire and intent to use the NJPA contract that includes its pricing, terms and conditions.

Q. CAN MY AGENCY ADD ADDITIONAL TERMS & CONDITIONS TO MEET MY LOCAL REQUIREMENTS?

- A. Members have the ability to propose new or additional terms and conditions. By reviewing your procurement documentation and local requirements you may find that there are specific requirements by your agency that are not included in the NJPA terms and conditions. The terms and conditions of the NJPA contract cannot be changed, but custom or additional terms and conditions are acceptable between the customer and vendor at the purchase order level.

Q. WHAT ABOUT CUSTOMER SATISFACTION AND ASSURANCE?

- A. NJPA cooperative procurement contracts do not guarantee sales. Each vendor must earn each individual sale they propose. Excellent products/equipment and customer service yields excellent customer satisfaction and assurance. As a result, NJPA cooperative procurement contracts are based on the quality and performance of the equipment/products and support of the on-going customer services. Our members issue their most important and final vote with their purchase orders. We find that our vendors exceed our members' expectations due to the quality of vendors we have under contract and how each vendor sees the value of the contract for their company.

Q. DESCRIBE WHO NJPA CONTRACT AWARDS TO.

- A. NJPA prefers to award contracts at the manufacturer level when possible. Contract awards to manufacturers are made on behalf of that manufacturer's dealer network through the established relationship between manufacturer and authorized dealers. Likewise, contract awards made to a re-seller are made on behalf of the re-seller's manufacturers, again through the established relationship between the re-seller and their manufacturers. In many cases, some products or equipment are only available through re-sellers. Whichever is the case, NJPA members have a single source of responsibility in the awarded contractor and that awarded contractor takes responsibility for all third party sub-contractors used in the acquiring and delivering of products and services to be delivered. As a result of the contracting reputation NJPA has earned, NJPA is able to award contracts to quality vendors that members can trust.

Q. HOW DO MY REGULAR SUPPLIERS BECOME AUTHORIZED SUPPLIERS FOR NJPA?

- A. Ask the supplier to watch for solicitations being posted. NJPA solicitations are posted in the *USA Today* (usatodayclassifieds.com), at least once in Oregon and Utah in the *Daily Journal of Commerce* (djcoregon.com) and the *Salt Lake News* (nadegal@mediaoneutah.com), respectively; on the NJPA website (NJPAcoop.org); distributed to other third party procurement websites such as BidSync (bidsync.com), Onvia (onvia.com), MERX (merx.com), and Biddingo (biddingo.com); and distributed to the procurement offices at the state level in each state for re-publication in their jurisdictions at their discretion. Suppliers who respond to NJPA RFPs in a sufficient manner are awarded a contract according to the terms and conditions contained therein.

Q. HOW DO I GET MORE INFORMATION ABOUT NJPA?

- A. Contact us at NJPAcoop.org | 888-894-1930 or contact any of our vendors listed in our Contract Directory.

Q. HOW CAN WE BECOME A NJPA VENDOR?

- A. All current NJPA vendors become awarded vendors by responding to a NJPA nationally advertised solicitation in their respective categories. To learn more visit our website at NJPAcoop.org/how-to-become-a-vendor.